

# Proposed Revised HOPWA Regulations: 24CFR 574

Existing HOPWA Regulations have not been revised since 1992. This proposed Rule Change will respond to changes in the nature of the HIV/AIDS epidemic and refocus HOPWA on HUD's core housing mission.

# HIV Disease Qualifies as Eligible

◆ The definitions now clearly state that a person with HIV disease qualifies as eligible for HOPWA program benefits

◆ The authorizing Statute for HOPWA defines eligible as a person with AIDS or related diseases. This change to include HIV disease makes the HOPWA program more consistent with HHS terminology.

# Formula Revised

◆ In calculating the formula allocation change the one year standard for the 25% high incidence factor to a three year standard.

◆ This change is intended to moderate sharp one year spikes or declines in a grantees' formula allocation. This, in turn, should make long term planning at the local level easier.

# Initial Qualifying City in EMSA retains control over allocation

- ◆ In order to provide for administrative continuity, the first city within EMSA which becomes eligible to administer the formula allocation on behalf of entire EMSA will remain the grantee.
- ◆ This change is intended to retain continuity and take advantage of its experience in administering the formula allocation on behalf of the entire EMSA.

# alternative Grantee by choice or non-performance

◆ For grants to States or qualifying Cities HUD may select an alternative grantee if the presumptive Grantee declines the award or fails to perform.

◆ This modification is intended to ensure that the actual Grantee desires that status and is performing the requisite duties on behalf of the entire jurisdiction.

# For uses of Grant Funds five categories specified

◆ HOPWA eligible activities are reorganized into five categories: housing activities, housing information services, supportive services activities, technical assistance, and administrative expenses.

◆ These categories were reorganized to facilitate performance reporting start-up and formats.

# constitute at least 60% of expenditures

- ◆ Grant funds must be used to address the central purpose of this housing program by using at least 60% of the grant amount for housing activities.
- ◆ The central intent of this regulation change is to make the goals of this HUD program consistent with the Mission of the Department.

# Housing Information Services allow for MIS coordination

◆ The expansion of Housing Information Services allows for HOPWA reimbursement of MIS and HMIS utilization.

◆ This is intended to expand the utilization and coordination of HOPWA services with MIS and HMIS resources.



# Supportive Service Activities

◆ Wording is removed which allowed services only activities, categorization of what is allowed is expanded. Supportive Services are capped a \$5million per grant.

◆ The changes to this provision add greater clarity to what is allowed, and focuses HOPWA funded Supportive Services on those which compliment housing stability.

# Technical Assistance activities expanded

- ◆ Technical assistance and resource identification, and the recipients thereof, are defined and clarified.
- ◆ This is intended to clarify and expand the utilization of HOPWA-funded Technical Assistance.

# Administrative Expenses

◆ The 3% and 7% caps on administrative expenses for Grantees and Project Sponsors are retained, but greater guidance is given explaining what they constitute.

◆ The changes to the regulation provide greater clarity.

# Safe, Decent, and Sanitary Habitability Standards

◆ The old title for HOPWA Housing Quality Standards is renamed to Safe, Decent, and Sanitary Habitability Standards.

◆ The change was made to this nomenclature to avoid confusion with Public Housing's more extensive and well known Housing Quality Standards.

# Income Grace Period for persons returning to work

◆ The new proposed regulations call for a income disregard for 12 months for disabled people residing in HOPWA-funded housing who attempt a return to work.

◆ This change is proposed to encourage HOPWA clients to return to work by not immediately penalizing them with the loss of their housing or housing subsidy.

# “Housing Choice” option for HOPWA clients

- ◆ In this proposed change the client is allowed to select housing whose costs is greater than FMR, and pay more than 30% of their income for housing.
- ◆ The rationale behind adoption of this Public Housing program is to expand the amount of housing available to HOPWA clients.

# Grantee may request units at 120% of FMR be allowed

◆ Revise the Resident Rent Payment Standard to allow grantees the option of requesting approval of a unit at 120% Fair Market Rent.

◆ This important change is an effort to respond to the problem in high cost areas, of FMR's being set too low to find affordable, safe, decent, and sanitary housing.

# housing assistance can be waived by Field Director

- ◆ In the proposed new rule the HUD Field Director may waive the 60 day and 21 week limitations on short-term supported housing.
- ◆ To promote housing stability in cases where permanent supportive housing is not yet available, and continuation of the short-term subsidy is beneficial to clients and cost effective to project sponsors.



# a Shallow Housing Subsidy Program

- ◆ The Field Office may approve an on-going Shallow Rent/Housing subsidy program.
- ◆ The rationale is to keep people in their existing homes, when a small amount of subsidy would make that critical difference.

# Architectural Standards for SRO's

◆ For new construction, architectural guidelines are proposed to make the SRO units more habitable and functional.

◆ The rationale behind these standards is to make HOPWA-funded SRO units more functional, and therefore desirable.

# For Competitive Projects establish Data Collection

◆ For competitive grants the NOFA and Regulations now require Data Collection on Project Outcomes

◆ This new requirement is intended to help HUD, Grantees, and Sponsors all learn from the experiences of others and improve the effectiveness of HOPWA SPNS.

# Selecting Project Sponsors Now Required

◆ Self-explanatory

◆ This new requirement is intended to make sure all prospective Sponsors have the same information and opportunity to compete for an award.

# Grantee must Monitor Sponsors Annually

- ◆ Grantees shall annually monitor sponsor's use of funds to ensure that sponsors are undertaking eligible activities and serving eligible clients.
- ◆ This rule is to insure program accountability.

# Environmental Provisions

◆ Environmental sections of this rule have been updated to allow for assumption of many environmental responsibilities by States and local Governments

◆ This change is intended to have fewer levels of bureaucracy, thereby minimizing costly delays.

# Performance Benchmarks for Competitive Grants

- ◆ In measuring timeliness, funds must be used in three years except for capital projects which get five years.
- ◆ This rule seeks to assure that the time needed to execute a program or project is allowed within the limits of our statutory authority.

# Performance Benchmarks for Formula Allocations

◆ A Grantee is considered timely if 60 days prior to the end of the program year, the balance in its line-of-credit does not exceed 1.5 times the current year's annual grant.

◆ The addition of this provision is intended to expedite Grantees utilization of its line-of-credit.